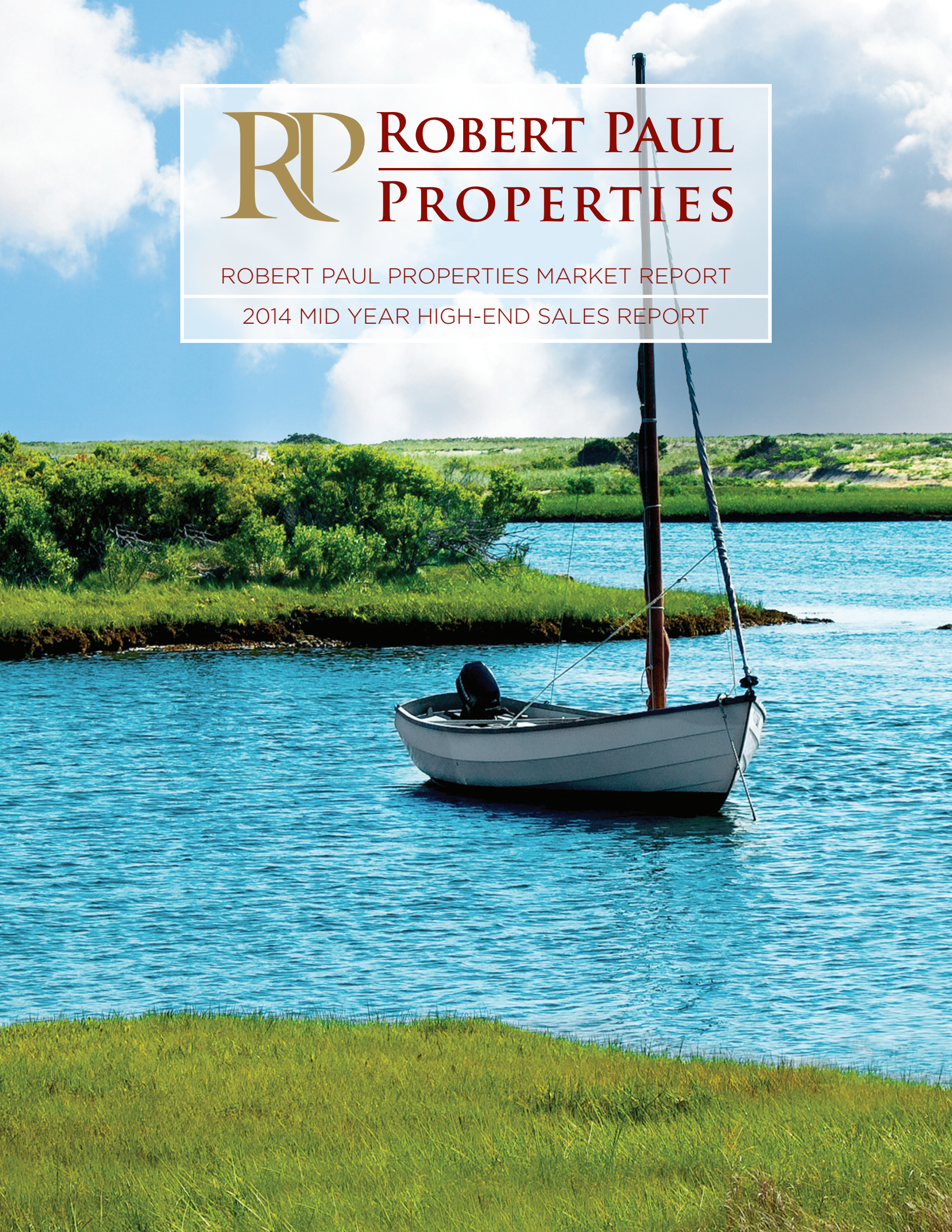




RP ROBERT PAUL PROPERTIES

ROBERT PAUL PROPERTIES MARKET REPORT

2014 MID YEAR HIGH-END SALES REPORT

The Robert Paul Market Report

2014 Mid Year High-End Residential Properties

We invite you to read through our market report which examines the high-end residential real estate sales across Cape Cod while also putting the Cape market in the context of national home sale trends. This report utilizes data from the Cape & Islands MLS service.

High end real estate across Cape Cod leads the overall market with significant growth in both number of homes sold and the median price. At the lower end of the market, those sales up to \$500,000, home sales are actually down and lag behind the same period in 2013 by 7.7%. The high-end market, sales over \$500,000, are up a significant 11.8% year over year. The median price in the high-end market is up a healthy 4.9%, reaching a record setting \$750,000. Overall, the market-wide cost for Cape Cod homes increased 2.6% year over year, suggesting steady price growth without the threat of too much heat in the market.

The robust growth of 22.9% in the luxury home market, those homes selling for \$1,000,000 or more, is a harbinger for a strong second half of 2014 as well as continued growth in 2015. While the luxury home market is unique and responds to its own set of economic factors such as stock market performance and where one wants to park excess cash, the activity generated by these strong sales does improve performance across other markets.

While home prices and sales are up, so is the inventory of homes listed, growing at a rate of almost 25%. This proliferation of new entries into the market may dampen home prices as Buyers, who remain price sensitive, have more homes to consider and will look for a situation which affords them both what they want in a home and the price they want to pay.

Nationally, home price gains have decelerated in some metro areas, and home sales have declined 4.5% as inventory continues to be very low. Because real estate is very cyclical, Lawrence Yun, NAR chief economist, believes that the fall market will bring much-needed inventory, and with job growth and an improving GDP, the housing market may see some expansion as demand remains high.

With momentum in the luxury market, and tempered price growth as the result of increased inventory, we continue to forecast that 2014 will be a breakthrough year where sales and prices top the peak year 2006. Further, in the very top tier of the market, we are seeing a record breaking trend of sales over \$10,000,000.

Robert Kinlin & Paul Grover

Robert Kinlin and Paul Grover
Robert Paul Properties



The Robert Paul Market Report

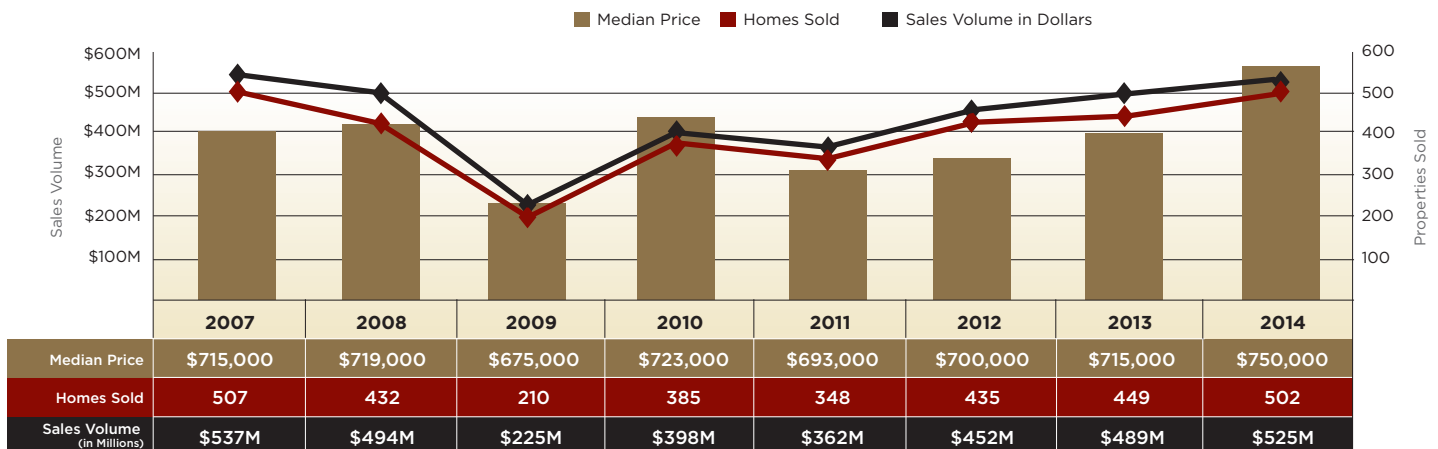
2014 Mid Year High-End Residential Properties

Cape Cod High End \$500k + Sales Graph

PRICE BANDS	HOMES SOLD								HOMES UNDER AGREEMENT	HOMES LISTED	ABSORPTION RATE BY MONTH
	2007 YTD	2008 YTD	2009 YTD	2010 YTD	2011 YTD	2012 YTD	2013 YTD	2014 YTD	AS OF 06/30/2014	CURRENT INVENTORY AS OF 06/30/2014	
\$500K - \$749K	271	230	127	201	194	246	236	248	147	730	17.7 Months
\$750K - \$999K	99	80	35	95	63	87	95	109	42	418	23.0 Months
\$1M - \$1.9M	102	82	31	64	71	75	87	104	30	446	25.7 Months
\$2M - \$2.9M	27	30	11	13	13	18	16	25	15	147	35.3 Months
\$3M - \$3.9M	4	4	4	9	9	5	9	9	5	40	26.7 Months
\$4M - \$4.9M	2	3	2	1	1	0	1	3	2	14	28.0 Months
\$5M +	2	3	0	2	1	4	5	4	1	52	78.0 Months
GRAND TOTALS	507	432	210	385	348	435	449	502	242	1847	22.1 Months
HIGHEST SALE YTD	\$9.175M	\$7.6M	\$2.25M	\$5.8M	\$6.2M	\$8.6M	\$11.75M	\$13.0M			

Source: Cape Cod & Islands MLS, Inc
Type: All Residential Properties

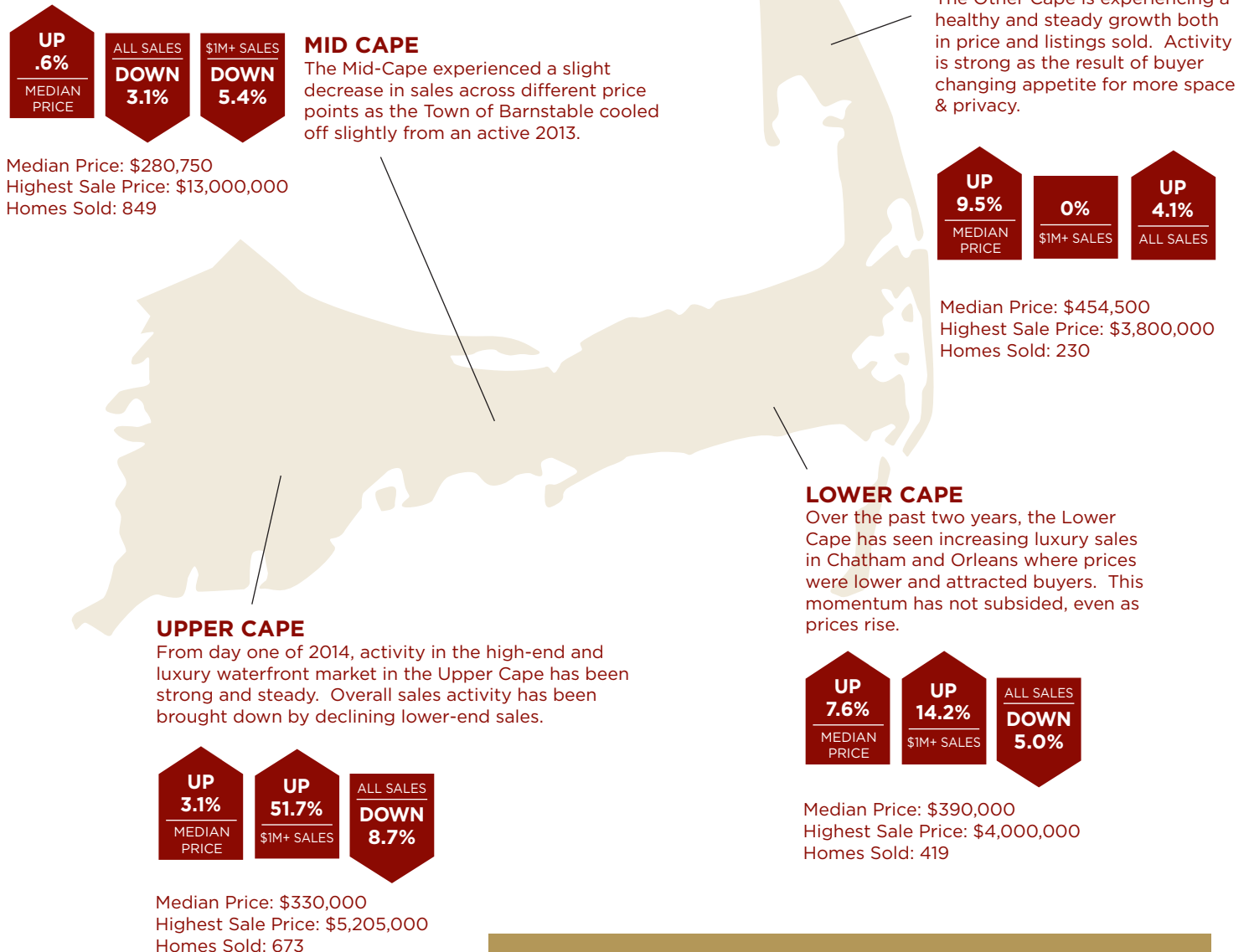
Cape Cod High End \$500k + Sales Graph



The Robert Paul Market Report

2014 Mid-Year Regional Sales Trend Report

2014 Mid Year Regional Sales Report Overall Housing Market Across Cape Cod



ROBERT PAUL PROPERTIES
ROBERT KINLIN AND PAUL GROVER

LEADING
REAL ESTATE
COMPANIES®
OF THE WORLD

LUXURY
PORTFOLIO
INTERNATIONAL®



MAYFAIR
International Realty

A report from the Barnstable County Registry of Deeds on year to date real estate activity shows that the total Cape Cod market was down in the number of sales with 2013 volume at 3,715 homes sold and 2014 volume at 3,681 homes sold. The median price rose from \$311,000 in 2013 to \$319,000 in 2014. On Cape Cod, 80% of sales are under \$500,000. That market has been dampened by lack of job growth, tight credit and soft first time home buyer demand. Second home sales are robust and will add enough fuel to the Cape economy to improve the overall marketplace.